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WEEKLY GRAIN COMMENTARY

Kevin McNew Adjunct Professor, University of Maryland

Grain prices were mixed this week as corn and wheat prices fell while soybean prices gained nearly 20 cents. While corn attempted rallies throughout the week, bears were quick to step in as technical selling at the 20-day moving average of nearly \$4. In addition, the market struggles with ideas that prices are overbought and fresh news to stimulate buyers has been basically absent from the complex since the market added \$.56 worth of premium after the January 12th S&D report. In beans, futures set new contract highs this week. Buying continues to be supported by thoughts that a large shift of bean acres to corn will dramatically decrease soybean production this coming year. Record large U.S. stocks and record large South American production estimates are keeping the lid on attempted rallies. The trade is looking forward to Friday's USDA report with average carryout estimates for beans at 569 million bushels, down from USDA's 575 million. Solid crush data and the strong pace of export sales were seen supporting ideas for a slight decrease in the 2005/06 carryout estimate. Some analysts' expect the USDA to increase estimates for South America due to this year's favorable growing weather while others think they may leave estimates unchanged until the March report when more harvest information will be available. With corn showing weakness, it seems unlikely that soybeans can continue to sustain the rally on its own accord. Look for more choppy to sideways trade until we get closer to planting.

Grain futures	Corn Basis		Soybean Basis		Wheat Basis	
Location	Nearbv	Forward	Nearbv	Forward	Nearbv	Forward
Western, MD	+6		-40		-52	
Central, MD	-8	-12	-57	-87	-33	
Southern, MD	+5	-14	-42	-41		
Upper E. Shore	+8	-1	-29	-28	-81	
Lower E. Shore	+25	+6	-11	-16	-84	

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS

The WEEKLY CROP WEATHER SUMMARY will resume in April, 2007

CASH GRAINS – REGIONAL – (\$/bu) DEALERS AVERAGE CASH QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	01/31	02/07	01/31	02/07	01/31	02/07	01/31	02/07
Western, MD	3.98	3.98	6.80	7.01	4.08	4.00	2.78	2.78
Central, MD	3.94	3.84	6.67	6.84	4.28	4.19	----	----
Southern, MD	4.05	3.97	6.81	6.99	----	----	----	----
Upper E. Shore	4.08	4.00	6.94	7.12	3.80	3.71	----	----
Lower E. Shore	4.26	4.17	7.11	7.30	3.78	3.68	1.97	1.95

Soybean Meal	Lower Eastern Shore		Dealer's Average Cash Quotes (\$/ton)	
Date	01/31	02/07	Date	01/31
48% Soybean Meal	238.40	243.30	44% Soybean Meal	226.40
				231.30

FORWARD CONTRACT PRICE – REGIONAL (\$/bu) for Harvest Delivery Dealer's Avg. Quotes

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	01/31	02/07	01/31	02/07	01/31	02/07	01/31	02/07
Western MD	----	----	----	----	----	----	----	----
Central MD	3.82	3.79	7.14	7.05	4.28	4.19	----	----
Southern MD	3.83	3.77	7.34	7.51	4.12	4.01	1.75	1.75
Upper E Shore	3.96	3.90	7.47	7.64	4.16	4.08	1.90	1.90
Lower E Shore	4.02	3.97	7.58	7.76	4.14	4.04	1.95	1.98

GRAIN FUTURES – Chicago Board of Trade (Cents & Quarter – cents/bushel) Settle – February 7, 2007

Corn		Soybeans		Wheat		Soybean Meal ¹	
07Mar	392'2	07Mar	741'0	07Mar	452'0	07Mar	213'7
07May	404'4	07May	757'2	07May	465'4	07May	218'5
07Jul	411'0	07Jul	770'4	07Jul	475'4	07Jul	222'6
07Sep	399'0	07Aug	777'0	07Sep	482'4	07Aug	224'5
07Dec	391'0	07Sep	780'0	07Dec	494'6	07Sep	225'5
08Mar	397'0	07Nov	791'4	08Mar	503'0	07Oct	226'9

/Price Unit: Dollars and cents/ton (100 tons (2,000 lbs/ton))

HAY AND STRAW

New Holland, PA - \$/ton – February 5, 2007

Alfalfa	Mixed Hay	Timothy	Orchard grass	Straw
90.00 - 165.00	100.00 - 225.00	105.00 - 185.00	100.00 - 185.00	70.00 - 160.00

Westminster, MD - \$/bale – February 6, 2007

Alfalfa	Alfalfa Mix	Timothy	Timothy Mix	Grass Mix	Straw
2.20 - 4.70	3.20 - 4.80	3.90 - 4.90	1.80 - 4.60	2.20 - 5.60	1.60 - 3.40

Southern MD Regional Farmers Market - \$/bale - February 3, 2007 - Next Sale date - February 17, 2007

Alfalfa	Alfalfa Mix	Grass Mix	Orchard Grass	Timothy Mix	Straw
3.50 - 5.20	3.90 - 4.05	3.00 - 6.80	4.75 - 7.05	4.80 - 5.60	3.00 - 3.00

